GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:960
ANSWERED ON:19.07.2002
MONTHLY INCOME SCHEME, 1997 OF UTI
CHANDRA NATH SINGH;SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

(a) Whether there is resource crunch for redemption of the Monthly Income Scheme, 1997 of the Unit trust of India;

(b) If so, whether the Government propose to provide any package to Unit Trust of India to overcome this financial crisis; and

(c) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

(a): UTI has intimated that it is facing shortfall in its assured return schemes including Monthly Income Scheme 97.

(b) & (c) Government has extended a guarantee to UTIfor Rs.1000 crores against the assets of and cash inflows to Development Reserve Fund to honour the commitment to the investors in MIP schemes matured in June, 2002 and a MIP scheme maturing in August, 2002.